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### Project Failures

Public organizations' failures are well documented.

- In 2000, King County (WA) suspended further development of a new finance and payroll system after spending \$38 million. To add insult to injury, another \$7 million was required to mothball the system.
- In 2000, costs for a combined utility billing system for the City of Seattle increased from an original estimate of \$20 million to \$36 million. The systems completion was 12 months behind schedule.
- In 1997, the Washington State Department of Licensing canceled a car and boat licensing system after spending \$40 million.

Refer to Policy A1601 for more info on IT project governance (<http://ebc.maricopa.gov/pp/admin/pdf/a1601.pdf>). A task force is currently updating the County's policies on SDLC and Project Management.

# GOT

# NEW SYSTEMS

# CONTROLS?

## So You Want a New System??

One of the largest, yet often unidentified risks facing organizations is failure of major projects. In large organizations the costs reach into the tens of millions of dollars including out of pocket expenditures, as well as, the costs of internal staff time. Failure to deploy adequate project management controls, especially in the IT area, can result in project failures.

Maricopa County desires to manage technology by reviewing technology investments. The County has developed a single, comprehensive, ***On-line Technology Planning Continuum*** in conjunction with the *Managing for Results Program*. The intent of the continuum is to provide IT management information, which spans pre-project budget justification through final implementation. The continuum leverages the power of the County Intranet and data base technology to provide comprehensive

management data in several areas including Agency IT profile planning, strategy portfolio, and project implementation tools.

The operating model for this continuum is that each IT agency, using on-line electronic forms, enters and updates the appropriate information within the system. County leaders can then view this information for IT management purposes either through an individual *Agency View* or through an *Enterprise Functional View* (i.e. a roll-up of all common strategies within the County). The Office of the CIO is currently partnering with several County IT agencies to develop a more refined systems development life cycle (SDLC) methodology to assist in this endeavor.



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See your IT Director for more info, or contact Danica at 506-8044.

## Did You Know?

Companies and governments in the United States spend more than \$250 billion each year developing approximately 175,000 information technology applications. At least 31% (54,250) of these projects will be canceled before they ever get completed, and only 9% of the projects will be finished on time and within budget. In 1995 American companies and governments spent \$81 billion on canceled software projects. (California Department of Information Technology, 1996 Annual Report, page 16.)

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